

2014-1123

**United States Court Of Appeals
for the Federal Circuit**

POWER INTEGRATIONS, INC.,
Appellant,

v.

MICHELLE K. LEE,
Deputy Undersecretary of Commerce for Intellectual Property,
Deputy Director U.S. Patent & Trademark Office,

Appellee,

APPEALS FROM THE U.S. DISTRICT COURT FOR THE DISTRICT OF COLUMBIA
IN CASE NO. 11-CV-01254, JUDGE BARBARA J. ROTHSTEIN

**POWER INTEGRATIONS' REPORT RECOMMENDING
HOW THE APPEAL SHOULD PROCEED**

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August 4, 2014

CERTIFICATE OF INTEREST

Counsel for Power Integrations, Inc., certifies the following:

1. The full name of every party represented by me is: Power Integrations, Inc.

2. The name of the real party in interest (if the party named in the caption is not the real party in interest) represented by me is: N/A.

3. All parent corporations and any publicly held companies that own 10 percent or more of the stock of the party represented by me are: N/A.

4. The names of all law firms and the partners or associates that appeared for the party represented by me in the trial court or agency or are expected to appear in this court are:

Fish & Richardson P.C.: Frank E. Scherkenbach, Howard G. Pollack, Michael R. Headley, and Craig E. Countryman.

Wiley Rein: Andrew G. McBride, William S. Consovoy, Thomas R. McCarthy, and Claire J. Evans.

Dated: August 4, 2014

/s/ Craig E. Countryman
Craig E. Countryman

The Court previously stayed this case pending the disposition of *In re Teles*, Appeal No. 12-1297, which presented a similar jurisdictional issue to one here—namely, “whether a patent owner may challenge the Patent Trial and Appeal Board’s decision rejecting patent claims by filing a civil action in district court under 35 U.S.C. §§ 145 and 306.” (Doc. No. 17.) The Court’s order directed Power Integrations “to inform this Court within 14 days of the issuance of this court’s mandate in *In re Teles*, how it believes this appeal should proceed.” (*Id.*) The *Teles* mandate issued on July 21, 2014, so Power Integrations respectfully submits this report in accordance with the Court’s order.

Power Integrations proposes that the Court lift the stay and set a merits briefing schedule. *Teles* held that a patent owner may not challenge a PTAB decision in an *ex parte* reexamination through a civil action. (*See Teles* slip op. at 2-14.)

Therefore, *Teles* instead treated the case as if it were a direct appeal from the Board and resolved the merits of the patentee’s challenge to the PTAB’s rejections of the claims there. (*Id.* at 14-21.) Power Integrations does not agree with *Teles*’s resolution of the “civil action” issue and reserves the right to raise it later in a petition for rehearing *en banc* or *certiorari*. Nevertheless, Power Integrations recognizes that the merits panel in this appeal is bound by *Teles*’s disposition of the issue. Therefore, Power Integrations believes that the panel here should likewise treat this case as if it were a direct appeal from the Board and address the merits of the Board’s obviousness rejections.

Power Integrations further proposes that the Court should set the deadline for its opening merits brief as Oct. 3, 2014, which is 60 days from the date of this report.

Power Integrations requests this deadline to ensure that its counsel has adequate time to prepare a brief in a manner that provides maximum assistance to both its client and the Court.

Power Integrations has conferred with counsel for the Director, who has indicated that the Director does not have any objection to this proposed deadline for the opening brief or to briefing the merits of the rejections.

Dated: August 4, 2014

Respectfully submitted,

/s/ Craig E. Countryman

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CERTIFICATE OF SERVICE AND FILING

I certify that I electronically filed the foregoing document using the Court's CM/ECF filing system. Counsel was served via CM/ECF on August 4, 2014.

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